GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:3232
ANSWERED ON:14.08.2003
REVIVAL OF BSCL
RAMANAND SINGH

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether Burn Standard Company Limited established in Niwar in Katni district of Madhya Pradesh since 1965 has been closed down in the year 2000;

(b) if so, whether with the closing down of this company, thousands of workers have become unemployed;

(c) if so, whether tender had been invited in March 2002 with a view to run the said company trough private party;

(d) if so, the reasons for not accepting the tender quoting highest rate; and

(e) the reasons for delaying the process of reviving the company by the Union Government in larger interests of the workers?

Answer

MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI SUBODH MOHITE)

(a) & (b) BIFR while sanctioning the revival scheme of BSCL on 16.4.1999 recommended closure of 7 (Seven) loss making Refractory Units (LRUs) including Niwar Works, which were not found viable.Accordingly all LRUs including Niwar Works have been closed w.e.f. 31.12.2000 and all employees of these units have been paid compensation according to Voluntary Retirement Scheme (VRS).

(c) Since, BIFR has recommended for the closure of the LRU, action was initiated for its outright disposal.

(d) & (e): The tenders invited could not be accepted as the bids received were below the reserve price. As per the BIFR scheme, the revival of Niwar Unit is not envisaged.